



Extrawell Pharmaceutical Holdings Limited 精優藥業控股有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock code 股份代號 : 858

INTERIM REPORT
中期報告 2022/23



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

The board of directors (the “**Board**”) of Extrawell Pharmaceutical Holdings Limited (the “**Company**”) presents the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2022 together with the comparative figures as follows:

精優藥業控股有限公司(「**本公司**」)董事會(「**董事會**」)呈列·本公司及其附屬公司(「**本集團**」)截至二零二二年九月三十日止六個月之未經審核綜合業績連同比較數字如下：

		At 30 September 2022 於二零二二年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 March 2022 於二零二二年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
	Notes 附註		
Non-current assets	非流動資產		
Investment properties	投資物業	2,615	2,681
Property, plant and equipment	物業、廠房及設備	125,506	138,250
Right-of-use assets	使用權資產	8,209	10,140
Intangible assets	無形資產	1,807	1,807
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	—	634,907
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	—	—
Interest in an associate	於一間聯營公司之權益	319,240	320,365
Loan to an associate	貸款予一間聯營公司	12,274	14,500
Deferred tax assets	遞延稅項資產	69	69
		469,720	1,122,719
Current assets	流動資產		
Inventories	存貨	4,112	8,465
Trade and bills receivables	貿易應收賬款及應收票據	7,773	7,813
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	6,336	6,491
Amount due from an associate	應收一間聯營公司款項	36,089	36,089
Loan to an associate	貸款予一間聯營公司	5,080	—
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	697,461	1,905
Pledged bank deposits	已抵押銀行存款	21,814	21,738
Cash and bank balances	現金及銀行結餘	98,854	111,881
		877,519	194,382
Total assets	總資產	1,347,239	1,317,101

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
簡明綜合財務狀況表 (續)

		At 30 September 2022 於二零二二年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 March 2022 於二零二二年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
		Notes 附註	
Equity	權益		
Share capital	股本	23,900	23,900
Reserves	儲備	1,174,871	1,141,753
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,198,771	1,165,653
Non-controlling interests	非控股權益	(697)	(729)
Total equity	權益總額	1,198,074	1,164,924
Non-current liabilities	非流動負債		
Convertible bonds	可換股債券	90,533	83,074
Lease liabilities	租賃負債	—	39
Deferred income on government grants	政府補助之遞延收入	4,442	5,001
		94,975	88,114
Current liabilities	流動負債		
Trade and bills payables	貿易應付賬款及 應付票據	6 5,688	6,456
Accruals, other payables and contract liabilities	預提費用、其他應付 款項及合約負債	7 31,485	38,078
Lease liabilities	租賃負債	1,282	2,194
Deferred income on government grants	政府補助之遞延收入	118	131
Tax payable	應付稅項	15,617	17,204
		54,190	64,063
Total equity and liabilities	總權益及負債	1,347,239	1,317,101
Net current assets	流動資產淨值	823,329	130,319
Total assets less current liabilities	總資產減流動負債	1,293,049	1,253,038

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**
簡明綜合損益及其他全面收益表

		For the six months ended		
		30 September		
		截至九月三十日止六個月		
		2022		2021
		二零二二年		二零二一年
		(Unaudited)		(Unaudited)
		(未經審核)		(未經審核)
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
Revenue	收益	8	34,095	43,462
Cost of sales	銷售成本		(20,563)	(19,655)
Gross profit	毛利		13,532	23,807
Other income	其他收入	9	2,028	599
Other gains and losses, net	其他收益及虧損淨額	10	60,348	102,213
Selling and distribution expenses	銷售及分銷費用		(8,770)	(15,616)
Administrative expenses	行政費用		(12,367)	(11,899)
Share of results of an associate	應佔一間聯營公司業績		(1,125)	(2,111)
Finance costs	財務成本	11	(7,498)	(6,361)
Profit before income tax	除所得稅前溢利	12	46,148	90,632
Income tax expense	所得稅開支	13	(208)	(1,129)
Profit for the period	期內溢利		45,940	89,503
Other comprehensive income/(expense)	其他全面收益/(開支)			
Item that may be reclassified subsequently to profit or loss	其後可能重新分類至損益的項目			
— Exchange differences arising on translation of foreign operations	— 換算海外業務之匯兌差額		(12,790)	(40)
Total comprehensive income for the period	期內全面收益總額		33,150	89,463

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (CONTINUED)**
簡明綜合損益及其他全面收益表(續)

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Notes		HK\$'000	HK\$'000
附註		千港元	千港元
Profit for the period attributable to	以下人士應佔期內溢利		
Owners of the Company	本公司擁有人	45,821	88,592
Non-controlling interests	非控股權益	119	911
		45,940	89,503
Total comprehensive income for the period attributable to	以下人士應佔期內 全面收益總額		
Owners of the Company	本公司擁有人	33,118	88,573
Non-controlling interests	非控股權益	32	890
		33,150	89,463
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK cents	HK cents
		港仙	港仙
Earnings per share for profit attributable to owners of the Company	本公司擁有人應佔 溢利之每股盈利		
		15	
— Basic	— 基本	1.92	3.71
— Diluted	— 攤薄	1.62	2.88

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Capital reserve	Contributed surplus	Foreign currency translation reserve	Convertible bonds equity reserve	Fair value through other comprehensive income reserve	Retained earnings	Sub-total	Non-controlling interests	Total
		股本	股份溢價	資本儲備	撥入盈餘	匯兌儲備	可換股債券權益儲備	計入其他全面收益之儲備	保留盈利	小計	非控股權益	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2021 (Audited)	於二零二一年四月一日 (經審核)	23,900	191,738	6,542	4,839	29,616	512,359	(83,086)	344,597	1,030,505	(1,211)	1,029,294
Profit for the period (Unaudited)	期內溢利 (未經審核)	-	-	-	-	-	-	-	88,592	88,592	911	89,503
Exchange differences on translation of foreign operations (Unaudited)	換算海外業務之匯兌差額 (未經審核)	-	-	-	-	(19)	-	-	-	(19)	(21)	(40)
Total comprehensive income/(expense) (Unaudited)	全面收益/(開支)總額 (未經審核)	-	-	-	-	(19)	-	-	88,592	88,573	890	89,463
At 30 September 2021 (Unaudited)	於二零二一年九月三十日 (未經審核)	23,900	191,738	6,542	4,839	29,597	512,359	(83,086)	433,189	1,119,078	(321)	1,118,757
At 1 April 2022 (Audited)	於二零二二年四月一日 (經審核)	23,900	191,738	6,542	4,839	34,176	512,359	(83,086)	475,185	1,165,653	(729)	1,164,924
Profit for the period (Unaudited)	期內溢利 (未經審核)	-	-	-	-	-	-	-	45,821	45,821	119	45,940
Exchange differences on translation of foreign operations (Unaudited)	換算海外業務之匯兌差額 (未經審核)	-	-	-	-	(12,703)	-	-	-	(12,703)	(87)	(12,790)
Total comprehensive income/(expense) (Unaudited)	全面收益/(開支)總額 (未經審核)	-	-	-	-	(12,703)	-	-	45,821	33,118	32	33,150
At 30 September 2022 (Unaudited)	於二零二二年九月三十日 (未經審核)	23,900	191,738	6,542	4,839	21,473	512,359	(83,086)	521,006	1,198,771	(697)	1,198,074

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

		For the six months ended	
		30 September	
		截至九月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Net cash used in operating activities	經營活動所用之現金淨額	(3,447)	(3,588)
Net cash used in financing activities	融資活動所用之現金淨額	(989)	(951)
Net cash used in investing activities	投資活動所用之現金淨額	(6,115)	(242)
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(10,551)	(4,781)
Effect of foreign exchange rate change	外幣匯率變動之影響	(2,476)	(91)
Cash and cash equivalents at beginning of the period	期初之現金及現金等值項目	111,881	126,710
Cash and cash equivalents at end of the period — represented by cash and bank balances	期終之現金及現金等值項目 — 以現金及銀行結餘列示	98,854	121,838

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

簡明綜合財務資料附註

1. GENERAL INFORMATION

The Company is a limited liability company incorporated in Bermuda whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of its principal place of business is Suites 2206–08, 22/F, Devon House, Taikoo Place, 979 King’s Road, Quarry Bay, Hong Kong.

This unaudited condensed consolidated interim financial information of the Group (the “**Interim Financial Information**”) was approved for issue by the Board on 29 November 2022.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

The Interim Financial Information has been prepared in accordance with the Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange.

The Interim Financial Information should be read in conjunction with the Group’s audited financial statements for the year ended 31 March 2022 (the “**2022 Audited Financial Statements**”) as prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”). Other than changes as described below, the accounting policies adopted in the Interim Financial Information are consistent with the 2022 Audited Financial Statements.

1. 一般資料

本公司乃於百慕達註冊成立之有限公司，其股份於香港聯合交易所有限公司（「**聯交所**」）主板上市。其註冊辦事處地址位於Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。其主要營業地點位於香港鰂魚涌英皇道979號太古坊德宏大廈22樓2206–08室。

此份本集團之未經審核簡明綜合中期財務資料（「**中期財務資料**」）於二零二二年十一月二十九日獲董事會批准刊發。

2. 編製基準及會計政策變動

中期財務資料已遵照香港會計師公會（「**香港會計師公會**」）所頒佈香港會計準則（「**香港會計準則**」）第34號「中期財務報告」及聯交所證券上市規則（「**上市規則**」）附錄十六之適用披露規定而編製。

中期財務資料應與本集團按照香港財務報告準則（「**香港財務報告準則**」）編製之截至二零二二年三月三十一日止年度經審核財務報表（「**二零二二年經審核財務報表**」）一併閱讀。除下文所述變動外，中期財務資料採用之會計政策與二零二二年經審核財務報表一致。

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (Continued)

The Group has adopted the new and amended standards to HKFRSs as issued by the HKICPA that are first effective for the current interim period and considered that there was no significant impact on the Group's results and financial position:

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020 cycle

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. PROPERTY, PLANT AND EQUIPMENT

In the period under review, there were no material additions and disposals, and the net change mainly related to depreciation and exchange difference arising on translation.

2. 編製基準及會計政策變動(續)

本集團已採納香港會計師公會頒佈之香港財務報告準則新訂及經修訂準則，該等準則於本中中期期間首次生效，本集團認為該等準則對本集團業績及財務狀況概無產生重大影響：

香港財務報告準則第3號 (修訂本)	提述概念框架
香港會計準則第16號 (修訂本)	物業、廠房及設備 – 作擬定用途前之所得款項
香港會計準則第37號 (修訂本)	虧損性合約 – 履行合約之成本
香港財務報告準則 (修訂本)	香港財務報告準則二零一八年至二零二零年週期之年度改進

本集團並無應用任何於當前會計期間尚未生效之新訂準則或詮釋。

3. 物業、廠房及設備

於回顧期內，概無重大添置及出售，而變動淨額主要有關折舊以及換算產生之匯兌差額。

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(i) Investments in convertible bonds

The Group's investments in convertible bonds were issued by Innovative Pharmaceutical Biotech Limited ("Innovative Pharm") on 28 July 2014 with principal amount of HK\$715,000,000 and interest bearing at 3.5% per annum, and the maturity date on the 9th anniversary of the date of issue i.e. 28 July 2023 upon the two-year extension from its original maturity date of 28 July 2021 (the "Innovative Pharm Bonds").

As at 30 September 2022, the fair value of the Innovative Pharm Bonds was about HK\$695,724,000 (31 March 2022: HK\$634,907,000).

4. 按公平值計入損益之金融資產

(i) 可換股債券投資

本集團的可換股債券投資乃於二零一四年七月二十八日由領航醫藥及生物科技有限公司(「領航醫藥」)發行，本金額為715,000,000港元，按年利率3.5%計息及到期日為發行日期後第9個週年日(即二零二三年七月二十八日，由原定到期日二零二一年七月二十八日延長兩年)(「領航醫藥債券」)。

於二零二二年九月三十日，領航醫藥債券的公平值為約695,724,000港元(二零二二年三月三十一日：634,907,000港元)。

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

(i) Investments in convertible bonds (Continued)

The fair value of the Innovative Pharm Bonds at end of the reporting period on 30 September 2022 is determined based on the valuation conducted by an independent qualified valuer and is calculated using the Binomial Model. The movements of the Innovative Pharm Bonds are set out below:

4. 按公平值計入損益之金融資產(續)

(i) 可換股債券投資(續)

領航醫藥債券於報告期末二零二二年九月三十日之公平值乃按獨立合資格估值師所作出之估值釐定，並以二項式模式計算。領航醫藥債券之變動載列如下：

		2022	2021
		二零二二年	二零二一年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 April (Audited)	於四月一日(經審核)	634,907	466,322
Change in fair value — unrealised (Unaudited)	公平值變動—未實現(未經審核)	60,817	101,975
At 30 September (Unaudited)	於九月三十日(未經審核)	695,724	568,297

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

(i) Investments in convertible bonds
 (Continued)

The inputs into the model are as follows:

4. 按公平值計入損益之金融資產(續)

(i) 可換股債券投資
 (續)

該模式所用輸入數據如下：

		30 September 2022 二零二二年 九月三十日	31 March 2022 二零二二年 三月三十一日
Stock price (HK\$)	股份價格(港元)	0.211	0.149
Conversion price (HK\$)	換股價(港元)	2.50	2.50
Discount rate	貼現率	28.636%	24.707%
Risk free rate (note a)	無風險利率(附註a)	3.715%	1.117%
Expected volatility (note b)	預期波幅(附註b)	38.351%	27.261%
Expected dividend yield (note c)	預期股息率(附註c)	0%	0%
Option life (Years)	期權期限(年期)	0.825	1.326

Notes:

- (a) The rate was determined with reference to the yields of Hong Kong government bonds and treasury bills as at the date of valuation.
- (b) With reference to the historical price volatility of Innovative Pharm.
- (c) Estimated with reference to the historical dividend payout of Innovative Pharm.

附註：

- (a) 該利率乃參考香港政府債券及庫券於估值日期之孳息率釐定。
- (b) 參考領航醫藥之過往價格波幅得出。
- (c) 參考領航醫藥之過往股息派付估計。

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

(ii) Short-term investment

The investment represents a bank structured product placed in a state-owned financial institution of the People's Republic of China (the "PRC" or "China") and is denominated in Renminbi.

As at 30 September 2022, the fair value of the investment was about HK\$1,737,000 (31 March 2022: HK\$1,905,000).

4. 按公平值計入損益之金融資產(續)

(ii) 短期投資

該投資指存置於一間中華人民共和國(「中國」)之國有金融機構的銀行結構性產品，以人民幣計值。

於二零二二年九月三十日，該投資的公平值為約1,737,000港元(二零二二年三月三十一日：1,905,000港元)。

5. TRADE AND BILLS RECEIVABLES

The Group's trading terms with its customers are mainly based on credit, except for new customers, where payment in advance is normally required. The credit period is generally ranging from 120 to 180 days, extending up to one year for some major customers.

The aging analysis of trade and bills receivables (net of provision of impairment loss on trade receivables), based on invoice dates is as follows:

5. 貿易應收賬款及應收票據

本集團與其客戶之貿易條款主要為賒銷，惟新客戶一般需要預先付款。一般情況下，客戶可獲得為期120至180日之信貸期，而若干主要客戶可延期至最多一年。

貿易應收賬款及應收票據(扣除貿易應收賬款減值虧損撥備)基於發票日期之賬齡分析如下：

		At 30 September 2022 於二零二二年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 March 2022 於二零二二年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
Within 90 days	90日內	4,512	4,161
91-180 days	91至180日	2,024	1,980
181-365 days	181至365日	1,237	1,672
		7,773	7,813

6. TRADE AND BILLS PAYABLES

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from two to three months from the date of invoice.

The aging analysis of trade and bills payables, based on invoice dates is as follows:

6. 貿易應付賬款及應付票據

貿易應付賬款為不計息，而本集團獲授之一般貿易信貸期介乎發票日期起計兩至三個月。

根據發票日期之貿易應付賬款及應付票據之賬齡分析如下：

		At 30 September 2022 於二零二二年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 March 2022 於二零二二年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
Within 90 days	90日內	4,166	3,239
91–180 days	91至180日	286	2,341
181–365 days	181至365日	536	58
1–2 years	1至2年	212	276
Over 2 years	2年以上	488	542
		5,688	6,456

7. ACCRUALS, OTHER PAYABLES AND CONTRACT LIABILITIES

7. 預提費用、其他應付款項及合約負債

		At 30 September 2022	At 31 March 2022
		於二零二二年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	於二零二二年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
Accruals (note a)	預提費用(附註a)	9,535	12,638
Other payables (note b)	其他應付款項(附註b)	15,299	18,703
Contract liabilities (note c)	合約負債(附註c)	6,651	6,737
		31,485	38,078

Notes:

- (a) Mainly included marketing and promotion expenses of about HK\$7,681,000 (31 March 2022: HK\$9,044,000).
- (b) Mainly included payables for acquisition of property, plant and equipment of about HK\$2,830,000 (31 March 2022: HK\$3,145,000), payables for marketing and promotion expenses of about HK\$5,448,000 (31 March 2022: HK\$6,601,000) and other tax payables of about HK\$5,182,000 (31 March 2022: HK\$4,844,000).
- (c) Included in the contract liabilities balance at 1 April 2022 of HK\$6,737,000 (1 April 2021: HK\$5,033,000), about HK\$3,065,000 was recognised as revenue in the six months ended 30 September 2022 (six months ended 30 September 2021: HK\$1,277,000).

附註：

- (a) 主要包括營銷及推廣費用約7,681,000港元(二零二二年三月三十一日：9,044,000港元)。
- (b) 主要包括收購物業、廠房及設備的應付款項約2,830,000港元(二零二二年三月三十一日：3,145,000港元)、應付營銷及推廣費用約5,448,000港元(二零二二年三月三十一日：6,601,000港元)及其他應付稅款約5,182,000港元(二零二二年三月三十一日：4,844,000港元)。
- (c) 包含於二零二二年四月一日的合約負債結餘6,737,000港元(二零二一年四月一日：5,033,000港元)當中，於截至二零二二年九月三十日止六個月已確認為收益為約3,065,000港元(截至二零二一年九月三十日止六個月：1,277,000港元)。

8. REVENUE AND SEGMENT INFORMATION

The Group's revenue comprises the following:

8. 收益及分類資料

本集團之收益包括以下項目：

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Manufacturing of pharmaceutical products	製造藥品	34,095	43,462
Trading of pharmaceutical products	藥品貿易	—	—
		34,095	43,462

8. REVENUE AND SEGMENT INFORMATION (Continued)

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products they provide. Each of the Group's operating segments represents a strategic business unit that offers products which are subject to risks and returns that are different from those of the other business segments. Summarised details of the reportable and operating segments are as follows:

- (a) the manufacturing segment engages in the development, manufacture and sales of pharmaceutical products ("**Manufacturing**");
- (b) the trading segment engages in the marketing and distribution of imported pharmaceutical products ("**Trading**"); and
- (c) the gene development segment engages in the commercial exploitation and development of genome-related technology ("**Gene Development**").

8. 收益及分類資料(續)

本集團之經營業務乃按照其業務性質及所提供之產品獨立分類及管理。本集團各經營分類乃提供產品之策略性業務單位，各業務分類之風險及回報不盡相同。按可呈報及經營分類劃分之概要詳情如下：

- (a) 製造分類從事開發、製造及銷售藥品(「**製造**」)；
- (b) 貿易分類從事推廣及分銷進口藥品(「**貿易**」)；及
- (c) 基因開發分類從事基因相關技術之商業開發及發展(「**基因開發**」)。

8. REVENUE AND SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's revenue and results from operation by reportable and operating segment for the six months ended 30 September 2022:

8. 收益及分類資料(續)

以下為本集團截至二零二二年九月三十日止六個月按可呈報及經營分類劃分之經營收益及業績分析：

		Unaudited – For the six months ended 30 September 未經審核 – 截至九月三十日止六個月							
		Manufacturing 製造		Trading 貿易		Gene Development 基因開發		Total 總計	
		2022	2021	2022	2021	2022	2021	2022	2021
		二零二二年	二零二一年	二零二二年	二零二一年	二零二二年	二零二一年	二零二二年	二零二一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Revenue	收益								
Sales to external customers	向外間客戶銷售	34,095	43,462	–	–	–	–	34,095	43,462
Segment results	分類業績	237	4,120	(2,022)	(2,136)	(48)	(41)	(1,833)	1,943
Unallocated other income	未分配之其他收入							1,125	599
Unallocated other gains and losses, net	未分配之其他收益及虧損淨額							60,817	101,975
Administrative expenses	行政開支							(5,377)	(5,490)
Interest expense on convertible bonds	可換股債券之利息開支							(7,459)	(6,284)
Share of results of an associate	應佔一間聯營公司業績							(1,125)	(2,111)
Profit before income tax	除所得稅前溢利							46,148	90,632
Income tax expense	所得稅開支							(208)	(1,129)
Profit for the period	期內溢利							45,940	89,503

9. OTHER INCOME

9. 其他收入

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Bank interest income	銀行利息收入	603	166
Rental income	租金收入	229	—
Government grants	政府補助	792	64
Loan interest income from an associate	來自一間聯營公司之 貸款利息收入	404	369
		2,028	599

10. OTHER GAINS AND LOSSES, NET 10. 其他收益及虧損淨額

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Reversal of impairment loss on other receivables	其他應收款項減值虧損撥回	58	21
(Provision for)/Reversal of impairment loss on trade receivables, net	貿易應收賬款減值虧損(撥備)/撥回淨額	(550)	190
Change in fair value on financial assets at fair value through profit or loss ("FVTPL") – investments in convertible bonds	按公平值計入損益(「按公平值計入損益」)之金融資產之公平值變動 – 可換股債券投資	60,817	101,975
Change in fair value on financial assets at FVTPL – short term investment	按公平值計入損益之金融資產之公平值變動 – 短期投資	23	27
		60,348	102,213

11. FINANCE COSTS

11. 財務成本

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Interest expenses on convertible bonds	可換股債券利息開支	7,459	6,284
Interest expenses on lease liabilities	租賃負債利息開支	39	77
		7,498	6,361

12. PROFIT BEFORE INCOME TAX

The Group's profit before income tax is arrived at after charging/(crediting):

12. 除所得稅前溢利

本集團之除所得稅前溢利已扣除/(計入)以下各項：

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation of right-of-use assets	使用權資產折舊	1,100	1,084
Depreciation of investment properties	投資物業折舊	66	30
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,059	3,085
Cost of inventories recognised as expenses (note)	確認為費用之存貨成本(附註)	10,720	12,972
Provision for/(Reversal of) impairment loss on inventories, net (included in cost of sales)	存貨減值虧損撥備/(撥回)淨額(計入銷售成本)	233	(190)
Staff costs (including directors' emoluments)	員工成本(包括董事薪酬)		
Salaries, bonus and allowances	薪金、花紅及津貼	9,506	9,938
Retirement benefit scheme contributions	退休福利計劃供款	985	1,346

Note: The amount represents the cost of materials that used to produce the goods, excluding the direct labour costs and the manufacturing overheads.

附註：該金額指用於生產貨品的材料成本，不包括直接人工成本及間接製造成本。

13. INCOME TAX EXPENSE

13. 所得稅開支

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Current tax:	即期稅項：		
Hong Kong	香港	—	—
PRC Enterprise Income Tax	中國企業所得稅	208	1,129
Income tax expense	所得稅開支	208	1,129

Under the two-tiered profits tax rates regime of Hong Kong, the first HK\$2 million of assessable profits of a qualifying corporation will be taxed at 8.25%, and assessable profits above HK\$2 million will continue to be taxed at 16.5%. Hong Kong Profits Tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime for the periods ended 30 September 2022 and 2021. The profits of group entities not qualifying for the two-tiered profits tax regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the "EIT") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards (2021: 25%).

根據香港兩級利得稅稅率制度，合資格企業的應課稅溢利首2,000,000港元將按8.25%的稅率納稅，而超過2,000,000港元的應課稅溢利將繼續按16.5%的稅率納稅。截至二零二二年及二零二一年九月三十日止期間，本集團的合資格實體公司的香港利得稅乃根據兩級利得稅稅率制度計算。不符合兩級制利得稅率制度的集團實體利潤將繼續按16.5%的統一稅率徵稅。

根據中國企業所得稅(「企業所得稅」)法及企業所得稅法實施條例，自二零零八年一月一日起，中國附屬公司之稅率為25%(二零二一年：25%)。

14. INTERIM DIVIDENDS

The directors do not recommend the payment of an interim dividend in respect of the six months ended 30 September 2022 (six months ended 30 September 2021: HK\$ Nil).

15. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit attributable to owners of the Company of HK\$45,821,000 (2021: HK\$88,592,000) and 2,390,000,000 (2021: 2,390,000,000) ordinary shares in issue.

The calculation of the diluted earnings per share is based on adjusted profit of HK\$53,280,000 (2021: HK\$94,876,000) for effective interest expense on convertible bonds of HK\$7,459,000 (2021: HK\$6,284,000) and the weighted average number of 3,290,000,000 (2021: 3,290,000,000) ordinary shares outstanding.

14. 中期股息

董事不建議派付截至二零二二年九月三十日止六個月之中期股息(截至二零二一年九月三十日止六個月：零港元)。

15. 每股盈利

每股基本盈利的計算乃基於本公司擁有人應佔溢利45,821,000港元(二零二一年：88,592,000港元)及2,390,000,000股(二零二一年：2,390,000,000股)已發行普通股。

每股攤薄盈利的計算乃基於可換股債券實際利息開支7,459,000港元(二零二一年：6,284,000港元)之經調整溢利53,280,000港元(二零二一年：94,876,000港元)以及3,290,000,000股(二零二一年：3,290,000,000股)已發行在外普通股加權平均數。

16. RELATED PARTY DISCLOSURES

Save as disclosures elsewhere in the Interim Financial Information, the Group had the following transactions with its related parties during the period ended 30 September 2022:

(a) Transactions with related parties

16. 關聯方披露

除中期財務資料其他部分所披露者外，於截至二零二二年九月三十日止期間，本集團與其關聯方有以下交易：

(a) 關聯方交易

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Consultancy fee expense paid to Dr. Mao Yumin, a shareholder of the Company	已付毛裕民博士(本公司股東)顧問費開支	306	306
Loan interest income receivable from loan to an associate (note)	貸款予一間聯營公司之應收貸款利息收入(附註)	404	369

Note: In June 2022, a shareholder loan of HK\$2.45 million was contributed by the Group in accordance with a drawdown by Smart Ascent Limited pursuant to the second shareholders' loan agreement dated 8 March 2022.

附註：於二零二二年六月，本集團就進生有限公司根據日期為二零二二年三月八日之第二份股東貸款協議提款而提供股東貸款2,450,000港元。

16. RELATED PARTY DISCLOSURES
 (Continued)

(b) Compensation for key management personnel, including amounts paid to the Company's directors

16. 關聯方披露(續)

(b) 主要管理人員之補償(包括向本公司董事支付之款項)

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, fees and other benefits	薪金、袍金及其他福利	2,846	2,542
Retirement benefit scheme contributions	退休福利計劃供款	18	18
		2,864	2,560

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

There was no transfer between different levels of the fair value hierarchy during the period ended 30 September 2022, and there was no change in valuation techniques for the following Group's financial assets that are measured at fair value on a recurring basis at the end of the reporting period:

17. 金融工具之公平值計量

截至二零二二年九月三十日止期間，不同公平值架構級別之間概無任何轉移，於報告期末，以下根據經常性基準按公平值計量之本集團金融資產之估值技術亦概無變動：

		At 30 September 2022 (Unaudited)			
		於二零二二年九月三十日(未經審核)			
		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Financial assets at fair value through other comprehensive income ("FVTOCI")	按公平值計入其他全面收益(「按公平值計入其他全面收益」)之金融資產	—	—	—	—
Financial assets at FVTPL	按公平值計入損益之金融資產	—	1,737	695,724	697,461
		—	1,737	695,724	697,461
		At 31 March 2022 (Audited)			
		於二零二二年三月三十一日(經審核)			
		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元

Financial assets at FVTOCI	按公平值計入其他全面收益之金融資產	—	—	—	—
Financial assets at FVTPL	按公平值計入損益之金融資產	—	1,905	634,907	636,812
		—	1,905	634,907	636,812

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

The financial assets at FVTOCI in Level 2 hierarchy include unlisted investment fund and shares, and the fair values of which are determined by the net asset value (“NAV”) of the investment fund with reference to observable quoted prices of underlying investment portfolio in active markets with certain adjustments made to reflect the interest of the fund holder and the NAV of the PRC entity respectively. As to the short-term highly liquid investment which is denominated in Renminbi and placed in a PRC state-owned financial institution, included in Level 2 hierarchy that is measured at FVTPL, the fair value is based on a non-determinable return rate.

The investments in convertible bonds in Level 3 hierarchy is measured at FVTPL. The fair value is determined by management after discussing with an independent qualified valuer on the assumptions and valuation, with reference to the valuation conducted by the independent qualified valuer using the binomial option pricing model, and the significant unobservable inputs used in the fair value measurement are the expected volatility and the discount rate. In general, the fair value measurement is positively correlated to the expected volatility of the share price of the issuer of the convertible bonds and negatively correlated to the discount rate adopted to calculate the present value of the cash flow of the convertible bonds, however, there would be counteracting effect among the inputs and in certain extreme situation where the share price of the issuer of the convertible bonds is significantly lower than that of the exercise price, the expected volatility would have minimal effect on the fair value measurement.

17. 金融工具之公平值計量(續)

第二級按公平值計入其他全面收益之金融資產包括非上市投資基金和股份，其公平值分別由投資基金的淨資產值(「淨資產值」)(其經參考相關投資組合按於活躍市場之可觀察報價，並作出若干調整以反映基金持有人之權益)和中國實體之淨資產值釐定。至於納入第二級之按公平值計入損益計量以人民幣計值於中國國有金融機構之短期高流動性投資，該公平值根據不可釐定之回報率確定。

第三級可換股債券投資乃以按公平值計入損益計量。該公平值乃管理層經與獨立合資格估值師就該等假設及估值討論後，參照獨立合資格估值師採用二項期權定價模型作出之估值而釐定，按公平值計量採用之重大不可觀察輸入數據為預期波幅及貼現率。一般而言，公平值計量與可換股債券發行人股份價格之預期波幅成正相關，並與計算可換股債券現金流量現值所採用之貼現率成負相關，然而，輸入數據之間會有抵銷作用，在若干極端情況下當可換股債券發行人的股份價格大幅低於行使價時，則預期波幅對公平值計量的影響微不足道。

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS
(Continued)

The movements in fair value of investments in convertible bonds during the six months ended 30 September 2022 are as follows:

17. 金融工具之公平值計量(續)

於截至二零二二年九月三十日止六個月期間可換股債券投資之公平值變動載列如下：

		HK\$'000 千港元
At 1 April 2022 (Audited)	於二零二二年 四月一日(經審核)	634,907
Fair value change recognised in profit or loss (Unaudited)	於損益確認之公平值 變動(未經審核)	60,817
At 30 September 2022 (Unaudited)	於二零二二年 九月三十日 (未經審核)	695,724

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Overall Performance

During the six months ended 30 September 2022 (“**2022 Interim Period**”), the world economy continued to suffer from impacts of lingering COVID-19 pandemic, rising geopolitical tensions and escalating inflationary pressures. Resurgence of sporadic spikes in COVID-19 cases in China, particularly during March to May 2022, caused widespread lockdowns to its major cities to contain transmission of the COVID-19 variants, and hindered China’s economic growth which slowed from 4.8% registered in the first quarter of 2022 to 0.4% in the second quarter, the lowest rate since China’s economy contracted by 6.8% in the first quarter of 2020. The pandemic situation lowered the pharmaceutical industry’s growth pace as the impact of citywide lockdowns caused short-term disruptions to supply chains, including pharmaceutical manufacturing and distribution in China. However, the nation’s timely implementation of the pandemic containment measures and controls, together with a series of policies and reforms on stabilising the economy and advancing the research and development of innovative drugs, have facilitated the industry to continuously develop in a sustainable development pace. In the meantime, China continued to advance its healthcare reforms to enhance its health systems and improve accessibility to quality drugs; in particular, the launch of the expanded scope of centralised drug procurement and the adjustments of the national drug reimbursement list have become normalised, which continuously create pricing pressure to pharmaceutical enterprises, intensifying market competition whilst driving the transformation and upgrading of the industry in the long run.

管理層討論及分析

業務回顧

整體表現

截至二零二二年九月三十日止六個月期間(「二零二二年中期期間」)，面對揮之不去的新冠病毒疫情，加上地緣政治緊張局勢及通脹壓力不斷升溫，環球經濟持續受壓。隨著中國(尤其於二零二二年三月至五月)新冠病毒病例零星激增，主要城市實施大規模封鎖措施以遏制新冠病毒變種傳播，國內經濟增長由二零二二年第一季度的4.8%放緩至第二季度的0.4%，此乃自二零二零年第一季度經濟收縮6.8%以來的最低水平。全市封鎖導致供應鏈(包括中國藥品製造及分銷)出現短暫中斷，製藥行業增長步伐備受疫情拖累。然而，國家及時落實疫情防控措施以及一系列穩定經濟、推進創新藥物研發的政策及改革行動，行業乘持續發展之勢繼續向前邁進。與此同時，中國持續推進醫療改革，力求加強醫療衛生系統並改善優質藥物的普及性；特別是，擴大藥品集中採購範圍及醫保藥品目錄調整常態化持續為醫藥企業帶來定價壓力及加劇市場競爭，而長遠有助推動行業轉型升級。

During the 2022 Interim Period, the Group's revenue and gross profit which were contributed by the manufacturing segment decreased to about HK\$34.1 million and HK\$13.5 million, representing an decrease in revenue and gross profit of about HK\$9.4 million and HK\$10.3 million respectively when compared to revenue of about HK\$43.5 million and gross profit of about HK\$23.8 million as reported in the six months ended 30 September 2021 ("**2021 Interim Period**"). The decrease in gross profit is due to the decrease in revenue, while gross margin dropped from 54.8% to 39.7%. In addition to the sales mix factor, such decreases were mainly due to the multiple effects arising from the government-mandated factory lockdown imposed on Changchun city during March to May 2022, including the Group's manufacturing plants, that resulted in lower production outputs, and the stringent lockdowns measures to curb the spread of the COVID-19 transmission in various parts of China to preserve safety and health of its residents, which affected logistics and distribution network due to transport constraints and movement restrictions that increased the cost of sales and disrupted sales activities. Such short-term impacts have affected the performance of the Group's operating segments during the 2022 Interim Period, however, the Group believes that improvement in operating performance has been facilitated in the second half of the financial year as the nation's pandemic measures and controls have been stabilised and the Group has further strengthened its internal management to address these challenges.

於二零二二年中期期間，本集團的收益及毛利（源自製造分類）分別下降至約34,100,000港元及13,500,000港元，較截至二零二一年九月三十日止六個月期間（「二零二一年中期期間」）呈報的收益約43,500,000港元及毛利約23,800,000港元分別減少約9,400,000港元及10,300,000港元。毛利減少歸因於收益減少，而毛利率亦由54.8%下降至39.7%。除銷售組合因素外，上述減少主要由於二零二二年三月至五月長春市政府強制工廠停工（包括本集團的生產廠房）導致產量降低，加上中國各地為捍衛居民安全及健康而實施嚴格封鎖措施遏制新冠病毒蔓延，就此施加的運輸限制及流動限制不單影響物流及分銷網絡，同時亦提高銷售成本並擾亂銷售活動。儘管上述措施對本集團於二零二二年中期期間的經營分類表現構成短期影響，隨著國家疫情防控措施漸趨穩定及本集團進一步加強內部管理以應對相關挑戰，本集團相信這能促使營運表現於財政年度下半年得以改善。

The Group's administrative, selling and distribution expenses in aggregate decreased to about HK\$21.1 million in the 2022 Interim Period, representing a decrease by about HK\$6.4 million or 23.2% when compared to about HK\$27.5 million in the 2021 Interim Period. Such decrease was the combined result of reduction in the marketing and promotion expenses of about HK\$6.7 million while an increase in foreign exchange loss was partially offset by the decrease in professional fees and expenses.

The Group's profit for the period was about HK\$45.9 million in the 2022 Interim Period, representing a decrease of about HK\$43.6 million when compared to the profit of about HK\$89.5 million in the 2021 Interim Period. Such decrease was mainly due to a non-cash item, a decrease in gain of about HK\$41.2 million arising from fair value change of the financial assets at fair value through profit or loss i.e. the Group's investments in convertible bonds.

Revenue and Operating Results

Manufactured Pharmaceutical Sector

The unexpected COVID-19 outbreaks across China since March 2022 that extended into the second quarter of 2022, had led to citywide lockdowns of major cities in China, and presented significant challenges to manufacturing operations nationwide. During the 2022 Interim Period, in accordance with the requirements of pandemic prevention and control measures, the Group observed the imposition of mandated factory lockdown by the Chinese authorities during April and May 2022 to temporarily halt production operations of its manufacturing plants in Changchun, to safeguard the safety and health of the Group's personnel and the general public as a whole. Following the lifting of the strict lockdown measures in phase, the Group's manufacturing plants gradually resumed its normal production in late May 2022 and have been operating safely with the Group's deployment of reinforced health measures for its personnel at the workplaces.

於二零二二年中期期間，本集團的行政、銷售及分銷費用合計下降至約21,100,000港元，較二零二一年中期期間約27,500,000港元減少約6,400,000港元或23.2%，歸因於營銷及推廣費用減少約6,700,000港元，而外匯虧損增加因專業費用及開支減少而部分抵銷。

於二零二二年中期期間，本集團的期內溢利約為45,900,000港元，較二零二一年中期期間的溢利約89,500,000港元減少約43,600,000港元，主要由於按公平值計入損益之金融資產（即本集團可換股債券投資）之公平值變動所產生收益（非現金項目）減少約41,200,000港元。

收益及經營業績

自產藥品業務

自二零二二年三月以來，新冠病毒突襲中國各地並一直纏擾至二零二二年第二季度，導致中國主要城市實施全市封鎖，對全國製造業構成重大挑戰。於二零二二年中期期間，根據疫情防控措施，本集團遵循中國當局在二零二二年四月至五月期間強制停工的要求，暫停長春生產廠房的生產運營以保障本集團員工及全體公眾安全與健康。隨著階段性解除嚴格封鎖措施，本集團生產廠房於二零二二年五月下旬逐步恢復正常生產，並在本集團加強部署工作人員衛生措施之下安全運營。

While the Group has been agile in responding to the challenges and changes brought by the continuously deepening healthcare reform policies, the temporary impacts of the lower in production volumes due to the production halt, together with the rising cost in production attributable to lower production volumes and the increase in materials cost caused by supply chain interruptions in the near term, weighed on the revenue and profitability of the segment during the 2022 Interim Period. As a result of the aforesaid complicated operating environment, segment revenue decreased to about HK\$34.1 million, representing a decrease of about HK\$9.4 million or 21.6% when compared to revenue of about HK\$43.5 million in the 2021 Interim Period. Such decrease was mainly due to decrease in sales of the Group's products that was in line with the lower in production outputs. Gross margin decreased from 54.8% to 39.7% mainly due to the lower production volumes and increase in material costs while the gross profit decreased by about HK\$10.3 million to about HK\$13.5 million when compared to about HK\$23.8 million in the 2021 Interim Period. Segment results declined to about HK\$0.2 million mainly due to decreases in revenue and gross margin while there were a significant reduction in the marketing and promotion expenses of about HK\$6.7 million, and an increase in government grants of about HK\$0.7 million which was offset by the increase in provision for impairment loss on trade receivables of about HK\$0.7 million, as compared to the 2021 Interim Period.

Amid the complicated operating environment, the Group believes that the rigid demand for quality pharmaceuticals will remain robust, such that the Group will endeavour to strengthen its development potentials by enhancing its production capability and capacity so as to cope with the market demand in the competitive landscape, and sustain a long-term development path.

儘管本集團靈活應對醫療改革政策不斷深化帶來的挑戰和變化，惟礙於停產觸發產量下降所造成的暫時影響，加上生產成本隨產量下降以及近期因供應鏈中斷導致材料成本增加而上升，該分類於二零二一年中期期間的收益及盈利能力承受重重壓力。面對上述複雜經營環境，分類收益減少至約34,100,000港元，較二零二一年中期期間的收益約43,500,000港元減少約9,400,000港元或21.6%，主要由於本集團產品銷售額隨產量下降而相應減少。毛利率由54.8%下降至39.7%，主要由於產量減少及材料成本增加，而毛利亦由二零二一年中期期間約23,800,000港元減少約10,300,000港元至約13,500,000港元。分類業績下滑至約200,000港元，主要由於收益及毛利率下降，而比對二零二一年中期期間，營銷及推廣費用大幅減少約6,700,000港元，以及政府補助增加約700,000港元，惟因貿易應收賬款之減值虧損撥備增加約700,000港元而抵銷。

縱然經營環境錯綜複雜，本集團相信優質藥品的剛性需求將保持旺盛。本集團致力通過提升產能及產量以增強發展潛力，力求於競爭格局下迎合市場需求，開拓長遠發展道路。

Imported Pharmaceutical Sector

During the 2022 Interim Period, no revenue was recorded by the segment as it continued to be impacted by the issues of sales suspension of the segment's major revenue contributor, the imported skin treatment product and the import license renewal, which were disclosed in the 2022 Annual Report. In light of the difficult situation exacerbated by the evolving pandemic, management continued to exercise stringent cost control measures to minimise staff costs and operating costs. As a result, segment loss reduced to about HK\$2.0 million, representing a decrease of about HK\$0.1 million or 5.3% when compared to about HK\$2.1 million in the 2021 Interim Period.

While continuing efforts will be made with the manufacturer in developing a new line of products, the Group will keep monitoring the market trends to identify business opportunities that may provide an income stream to the Group, making an effort to restore the performance of the segment.

Gene Development Sector

During the 2022 Interim Period, gene development remained inactive and no revenue was recorded.

進口藥品業務

於二零二二年中期期間，該分類繼續受到進口皮膚治療產品（即其主要收益來源）暫停銷售及進口許可證更新的問題（詳情於二零二二年年報內披露）所影響，故未有錄得任何收益。鑑於疫情不斷演化令困局加劇，管理層繼續採取嚴格的成本控制措施，務求盡量減少員工成本及營運成本。因此，分類虧損下降至約2,000,000港元，較二零二一年中期期間約2,100,000港元減少約100,000港元或5.3%。

在與製造商持續合作開發新產品系列的同時，本集團亦時刻關注市場動態，致力物色可為本集團締造收入來源的商機，務求使該分類重拾表現。

基因開發業務

於二零二二年中期期間，基因開發業務仍未開展，故並無錄得任何收益。

Interest in an Associate

As stated in the 2022 Annual Report, the COVID-19 pandemic since early 2020 had disrupted the normal operations of participating hospitals for the clinical trial of the oral insulin product (“**Product**”), that the clinical trial in the process of selection and enrolment of patients was temporarily suspended pending improvement in the pandemic situation, for the safety of patients and clinical researchers. As the pandemic situation in China had gradually improved, during the third quarter of 2020, the enrolment of patients had commenced, and though the pandemic situation in China was largely under control, the preventive and control measures associated with the prolonged pandemic situation have been continuously implemented causing certain delay in patient selection and enrolment, and the timeline for commercialisation of the Product by Smart Ascent Group was expected to be in around mid of 2023. However, the sporadic outbreaks of COVID-19 variant in China, and particularly the emergence of the highly transmissible Omicron variant in early 2022, had driven the nation to vigilantly stick to its toughest COVID-19 measures, and recently caused regional and citywide lockdowns in many parts of China, those had restricted patient flows and impacted on clinical research activities. As such, the patient selection and enrolment process experienced certain delay, and was still ongoing. Subject to the pandemic situation in China, the timeline for commercialisation of the Product had been reassessed by Smart Ascent Group and is expected to be in around mid of 2024.

During the 2022 Interim Period, the Group’s share of loss decreased from about HK\$2.1 million in the 2021 Interim Period by about HK\$1.0 million to about HK\$1.1 million. Such decrease mainly related to decrease in research and development expenses for the Product.

於一間聯營公司之權益

誠如二零二二年年報所述，新冠病毒疫情自二零二零年初以來擾亂口服胰島素產品（「該產品」）臨床測試參與醫院的正常運作，為確保患者及臨床研究人員的安全，甄選及招募患者階段的臨床測試已暫停進行，以待疫情形勢有所好轉。隨著中國疫情日益改善，於二零二零年第三季度，患者招募工作已經開始，而儘管於中國的疫情形勢大致受控，惟與疫情長時間肆虐有關的防控措施一直持續實施，導致患者招募及甄選工作出現若干延誤，而進生集團預期於二零二三年中旬左右商品化該產品。然而，新冠病毒變種在中國零星爆發，特別是傳播力極高的奧米克戎(Omicron)變種病毒於二零二二年初冒現，促使全國警覺性緊遵最嚴格的新冠病毒措施，導致中國各地近期出現地區性及全市封鎖，而有關措施導致患者人流受限制及影響臨床研究活動。因此，患者甄選及招募工作出現若干延誤，但仍然持續進行中。進生集團已重新評估商品化該產品的時間表，預期為二零二四年中旬左右，惟須視乎中國疫情而定。

於二零二二年年中期期間，本集團的應佔虧損由二零二一年中期期間約2,100,000港元減少約1,000,000港元至約1,100,000港元，主要由於該產品的研發費用下降。

The directors of the Company have performed impairment assessment on the carrying amount of the interest in the associate as at 30 September 2022. Having considered the progress of the In-process R&D, the prevailing market conditions and reasonableness of assumptions used for the cash flow projections for the purpose of impairment assessment, the directors of the Company do not identify any indication on the carrying amount of interest in the associate as at 30 September 2022 that may need to be impaired. Accordingly, no impairment is considered necessary as at 30 September 2022.

Other Income and Gains and Losses, Net

Other income and gains and losses, net were in total a gain of about HK\$62.4 million in the 2022 Interim Period, which decreased by about HK\$40.4 million as compared to about HK\$102.8 million in the 2021 Interim Period. Such decrease was mainly the result of the decrease in a gain of about HK\$41.2 million arising from the fair value change of the financial assets at fair value through profit or loss i.e. the Group's investments in convertible bonds, the increases in bank interest income, government grants and rental income in aggregate of about HK\$1.4 million, and an impairment provision made for trade receivables of about HK\$0.6 million in the 2022 Interim Period while there was a write-back of provision for trade receivables of about HK\$0.2 million in the 2021 Interim Period.

Selling and Distribution Expenses

Selling and distribution expenses decreased by about HK\$6.8 million or 43.8 % from about HK\$15.6 million in the 2021 Interim Period to about HK\$8.8 million in the 2022 Interim Period . Such decrease was primarily due to substantially lower marketing and sales activities caused by the disruptions of regional and citywide lockdowns in China during the 2022 Interim Period.

於二零二二年九月三十日，本公司董事已就於聯營公司之權益之賬面值進行減值評估。經考慮進行中之研發的進展、當前市況及就減值評估的現金流量預測所用假設的合理性，本公司董事並無發現任何跡象顯示於聯營公司之權益於二零二二年九月三十日的賬面值可能須計提減值，故認為於二零二二年九月三十日毋須作出減值。

其他收入及收益及虧損淨額

於二零二二年年中期期間，其他收入及收益及虧損淨額合計錄得收益約62,400,000港元，較二零二一年中期期間約102,800,000港元減少約40,400,000港元，主要由於二零二二年年中期期間按公平值計入損益之金融資產（即本集團可換股債券投資）之公平值變動所產生收益減少約41,200,000港元、銀行利息收入、政府補助及租金收入合共增加約1,400,000港元以及貿易應收賬款減值撥備約600,000港元，而於二零二一年中期期間則錄得貿易應收賬款撥備撥回約200,000港元。

銷售及分銷費用

銷售及分銷費用由二零二一年中期期間約15,600,000港元減少約6,800,000港元或43.8%至二零二二年年中期期間約8,800,000港元，主要由於二零二二年年中期期間中國實施地區性及全市封鎖導致營銷及銷售活動大幅減少。

Administrative Expenses

Administrative expenses increased by about HK\$0.5 million or 3.9% from about HK\$11.9 million in the 2021 Interim Period to about HK\$12.4 million in the 2022 Interim Period. Such increase was mainly due to increases in foreign exchange loss and maintenance expenses to the Group's workplaces that outweighed a decrease in professional fees and expenses.

Seasonal or Cyclical Factors

The Group's business operations were not significantly affected by any seasonal and cyclical factors, except extended statutory holidays in the PRC that may lead to lower Group's revenue and profit for the months in which these holidays are declared. There is no seasonal and cyclical factor for its borrowing requirements.

Financial Review

The Group generally finances its operations with internally generated cash flow and facilities granted by its principal banker in Hong Kong, Industrial and Commercial Bank of China (Asia) Limited. As at 30 September 2022, the Group had total cash and bank balances (excluding pledged bank deposits of about HK\$21.8 million (31 March 2022: HK\$21.7 million)) of about HK\$98.9 million (31 March 2022: HK\$111.9 million), representing a decrease by approximately HK\$13.0 million or 11.6%. Such decrease included net cash used in operations, provision of a shareholder's loan of HK\$2.45 million to Smart Ascent Limited, and the cash utilisations for acquisition of property, plant and equipment of about HK\$4.0 million, and payment of lease interests and liabilities in total of about HK\$1.0 million.

行政費用

行政費用由二零二一年中中期期間的約11,900,000港元增加約500,000港元或3.9%至二零二二年中期期間約12,400,000港元，主要由於外匯虧損增加及本集團工作場所維護費用增加的幅度超出專業費用及開支減幅。

季節性或週期性因素

除中國法定假期延長可能導致本集團於相關假期所屬月份的收益及溢利下降外，本集團的業務營運並無受到任何季節性及週期性因素的重大影響，其借款需求亦無涉及任何季節性及週期性因素。

財務回顧

本集團一般以內部產生之現金流量及其香港主要往來銀行中國工商銀行(亞洲)有限公司提供之融資撥付營運所需資金。於二零二二年九月三十日，本集團之現金及銀行結餘總額(不包括已抵押銀行存款約21,800,000港元(二零二二年三月三十一日：21,700,000港元))減少約13,000,000港元或11.6%至約98,900,000港元(二零二二年三月三十一日：111,900,000港元)，有關減少包括營運所用之現金淨額、向進生有限公司提供股東貸款2,450,000港元及購置物業、廠房及設備所動用現金約4,000,000港元以及租賃利息及負債付款合共約1,000,000港元。

The Group did not have bank borrowings as at 30 September 2022 (31 March 2022: HK\$ Nil) but had banking facilities on trade finance, which were supported by the pledge of the Group's fixed deposits of about HK\$21.8 million (31 March 2022: HK\$21.7 million) and corporate guarantees from the Company and certain subsidiaries of the Company. In general, there is no significant seasonality fluctuation on trade finance requirement of the Group.

The Group's total borrowing over total assets ratio as at 30 September 2022 was 0.068 (31 March 2022: 0.065), calculated based on the Group's total assets of about HK\$1,347.2 million (31 March 2022: HK\$1,317.1 million) and total debts of about HK\$91.8 million (31 March 2022: HK\$85.3 million), comprising convertible bonds of about HK\$90.5 million (31 March 2022: HK\$83.1 million) and lease liabilities of about HK\$1.3 million (31 March 2022: HK\$2.2 million).

The Company's 20-year zero coupon convertible bonds were issued in Hong Kong dollars on 16 July 2013 with principal amount in aggregate of HK\$641,300,000 and a maturity date of 16 July 2033. As at 30 September 2022, there was principal amount of HK\$577,170,000 outstanding.

於二零二二年九月三十日，本集團並無任何銀行借款(二零二二年三月三十一日：零港元)，惟擁有貿易融資之銀行信貸融資，其乃以本集團定期存款約21,800,000港元(二零二二年三月三十一日：21,700,000港元)以及本公司與其若干附屬公司提供之公司擔保作抵押。一般而言，本集團之貿易融資需求並無重大季節性波動。

於二零二二年九月三十日，本集團總借款與總資產之比率為0.068(二零二二年三月三十一日：0.065)，乃按本集團總資產約1,347,200,000港元(二零二二年三月三十一日：1,317,100,000港元)及總債項約91,800,000港元(二零二二年三月三十一日：85,300,000港元)(包括可換股債券約90,500,000港元(二零二二年三月三十一日：83,100,000港元)及租賃負債約1,300,000港元(二零二二年三月三十一日：2,200,000港元))計算。

本公司之二十年零息可換股債券於二零一三年七月十六日以港元發行，本金總額為641,300,000港元及到期日為二零三三年七月十六日。於二零二二年九月三十日，未償還本金額為577,170,000港元。

Foreign Exchange Exposure

Save for certain purchases are denominated in Euros, the Group's business transactions, assets and liabilities are principally denominated in Hong Kong dollars, United States dollars and Renminbi. The Group manages the foreign currency exposure by closely monitoring the foreign currency movements and may purchase foreign currencies at spot rate, when and where appropriate for meeting its payment obligation. No foreign currency and other hedges were made during the 2022 Interim Period but the Group will use financial instruments for hedging purpose when considered appropriate.

Material Acquisitions and Disposals

During the 2022 Interim Period, the Group did not have any significant investments, material acquisition or disposal.

Outlook

In the context of global volatility and geopolitical complexity, the world economy is facing economic downward pressure, and the COVID-19 pandemic shockwaves and inflationary risks continue to add to the uncertainties surrounding the economic outlook. Amid the tough environment, China has always demonstrated its resilience to stabilise its economy and exhibited signs of gradual recovery through implementing an array of policies against the destabilising forces, and leveraging its dual circulation economic strategy.

外匯風險

除部分採購以歐元計價外，本集團之業務交易、資產及負債主要以港元、美元及人民幣列值。本集團透過密切監察外幣變動及適時購買即期外匯以履行付款責任等措施管理外匯風險。本集團於二零二二中期期間並無進行外幣及其他對沖活動，然而，本集團會適時以金融工具作對沖用途。

重大收購及出售事項

於二零二二中期期間，本集團並無任何重大投資、重大收購或出售事項。

前景

在全球動盪及地緣政治複雜局勢下，世界各地面臨經濟下行壓力，加之新冠病毒疫情及通脹風險持續為經濟前景增添不確定性。面對艱難境況，中國通過實施一連串打擊不穩定因素的政策及發揮雙循環經濟戰略作用，一如既往堅持穩定經濟的韌性，並呈現逐步復甦的跡象。

In accordance with the Fourteenth Five-Year Plan (2021–2025), China's pharmaceutical industry is expected to continuously undergo transformation and thereby developing in a sustainable path while the health systems will continuously be enhanced to cater for building of Healthy China. With the advancement of the healthcare reforms, the pharmaceutical industry has been fueled by intensifying market competition and innovation-led development while witnessing large domestic demand for quality pharmaceuticals due to the accelerated aging population and the increasing health awareness and medical expenditure of its residents. Grasping the development trends of the pharmaceutical industry, the Group has been focusing on enhancing its production capability and capacity of its manufacturing segment by allocating its internal resources, with the aim of developing quality products to meet market demand and enhancing its core competitiveness while staying vigilant in cost control to enhance overall operational efficiency, and in the meantime, the Group has further strengthened its internal management to ensure agility in facing new operational challenges ahead. The Group remains resolute with its long-term development strategy and expects that operating performance will be steadily improved with management's relentless efforts in response to market changes.

While the operating environment will remain challenging, the Group believes that reform of China's pharmaceutical industry will continue with government initiatives and incentives that new opportunities will emerge amid the high-quality development of the industry. Buttressed upon its sound financial position, the Group will endeavor to capture the growing market opportunity while remaining cautiously optimistic in striving for a sustainable development path for the Group.

根據「十四五」規劃(二零二一年至二零二五年)，中國醫藥行業有望持續轉型，步上可持續發展征途，通過不斷完善醫療衛生體系，助力建設健康中國。隨著醫療改革推進，市場競爭加劇及以創新引領發展為醫藥行業帶來動力，而因人口老齡化加速及民眾健康意識及醫療支出提高亦刺激國內優質藥品需求大增。為把握醫藥行業發展趨勢，本集團一直分配其內部資源專注提升其製造分類的產能及產量，致力開發優質產品滿足市場需求及提升核心競爭力，同時嚴控成本以改善整體營運效率。與此同時，本集團進一步加強內部管理，確保靈活應對未來新的經營挑戰。本集團對長期發展戰略堅定不移，期望在管理層因應市場變化的不懈努力下，穩步提升經營業績。

儘管經營環境仍然充滿挑戰，但本集團相信，中國醫藥行業改革可在政府推動及激勵下持續推進，行業高質量發展將迎來新機遇。憑藉穩健財務狀況，本集團將積極把握不斷湧現的市場機遇，同時以審慎樂觀態度構建可持續發展道路。

EMPLOYMENT AND REMUNERATION POLICY

As at 30 September 2022, the Group had 172 employees (30 September 2021: 169). Staff costs (including directors' emoluments) for the six months ended 30 September 2022 amounted to approximately HK\$10.5 million (six months ended 30 September 2021: approximately HK\$11.3 million). The decrease was mainly due to relief for social security contributions by the Chinese government and the decreased expenses of wages and salaries of the manufacturing segment.

The Group remunerates its employees with salary, bonus and other benefits based on industry practices and provides various training opportunities to its staff members and directors. Its staff benefits, welfare and statutory contributions, if any, are made in accordance with prevailing labour laws of its operating entities.

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 30 August 2022, a new share option scheme ("**New Scheme**") had been adopted by the Company, which became effective on 2 September 2022 upon obtaining listing approval from the Stock Exchange, and unless otherwise cancelled or amended, will remain in force for 10 years from that date, while the share option scheme adopted by the Company with effective adoption date of 29 August 2012 which had a term of 10 years expired on 28 August 2022 ("**Old Scheme**") and no share options had been granted, exercised, cancelled or lapsed under the Old Scheme.

僱傭和薪酬政策

於二零二二年九月三十日，本集團共聘用172名僱員（二零二一年九月三十日：169名）。截至二零二二年九月三十日止六個月之員工成本（包括董事薪酬）為約10,500,000港元（截至二零二一年九月三十日止六個月：約11,300,000港元）。有關減少主要由於中國政府寬免社會保障繳款及製造分類工資支出減少。

本集團乃根據行業慣例向僱員支付薪金、花紅及其他福利，並為員工及董事提供各種培訓機會。其員工利益、福利和法定供款（如有）乃按照營運實體之現行勞動法實行。

根據本公司於二零二二年八月三十日舉行之股東週年大會上通過之普通決議案，本公司已採納一項新購股權計劃（「**新計劃**」）。新計劃在取得聯交所之上市批准後於二零二二年九月二日生效，除非以其他方式取消或修訂，否則自該日起計十年內一直有效；而本公司所採納自有效採納日期二零一二年八月二十九日起為期十年之購股權計劃已於二零二二年八月二十八日屆滿（「**舊計劃**」），舊計劃項下概無任何已授出、行使、註銷或失效之購股權。

The New Scheme will enable the Group to reward the employees, directors and other selected participants for their contribution or potential contribution to the Group and will assist the Group in its recruitment and retention of high caliber professionals, executives and employees who are instrumental to the long-term growth of the Group. Details of the New Scheme are disclosed in the Company's circular dated 29 July 2022.

From the effective date of the New Scheme to 30 September 2022, no share options have been granted under the New Scheme.

CORPORATE GOVERNANCE

The Group recognises the importance of achieving and monitoring the high standard of corporate governance consistent with the need and requirements of its business and the best interest of all its shareholders. The Group is fully committed to doing so.

In the opinion of the directors, the Company has complied with the code provisions of the Corporate Governance Code ("**Code Provisions**") as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 September 2022, except for certain deviations as below:

Code Provision C.2.1 provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same person. Dr. Xie Yi has served as the Chairman and Chief Executive Officer of the Company. However, the Company believes that there is adequate balance of power and authority in place though vesting the roles of both chairman and chief executive officer in the same person as all major decisions of the Company are made in consultation with members of the Board.

新計劃將讓本集團獎勵為本集團作出或可能作出貢獻之僱員、董事及其他經挑選之參與者，亦有助本集團招聘及挽留有利本集團長遠增長之優秀專才、主管及僱員。有關新計劃之詳情於本公司日期為二零二二年七月二十九日之通函內披露。

自新計劃生效日期起至二零二二年九月三十日止，新計劃項下概無任何已授出之購股權。

企業管治

本集團認同達致及監控高水平企業管治之重要性，務求符合商業需要及規定以及其全體股東之最佳利益。本集團承諾竭盡所能達致高水平之企業管治。

董事認為，本公司於截至二零二二年九月三十日止六個月期間一直遵守上市規則附錄十四所載企業管治守則之守則條文（「**守則條文**」），惟以下若干偏離情況除外：

守則條文第C.2.1條規定，主席及行政總裁之角色應分開，且不應由同一人兼任。謝毅博士擔任本公司之主席兼行政總裁。然而，由於本公司所有主要決策均於諮詢董事會成員後作出，故本公司相信，即使由同一人兼任主席及行政總裁，亦足以維持權力與權限之平衡。

Code Provision B.2.2 stipulates that every director should be subject to retirement by rotation at least once every three years. According to the bye-laws of the Company, one third of the directors shall retire from office by rotation and the Chairman, Deputy Chairman or Managing Director shall not be subject to retirement by rotation. The Company's bye-laws deviate from the Code Provision. The Company considers that the continuity of the Chairman/Deputy Chairman/Managing Director and their leadership are essential for the stability of the business and key management. The rotation methodology ensures a reasonable continuity of directorship which is to the best interest of the Company's shareholders.

Code Provision F.1.1 stipulates that the Company should have a policy on payment of dividends. The Company has not established a dividend policy as the Company considers it more appropriate to determine a dividend payment after taking into account those factors including the Company's then financial performance, operating and capital requirements and market conditions, to enable the Company be in a better position to cope with its future development, which is to the best interest of the Company and its shareholders as a whole.

The Company will continue to review and monitor the situation as stated above, and to improve the practices as and when the circumstances demand.

守則條文第B.2.2條規定，每名董事應最少每三年輪值退任一次。根據本公司之公司細則，三分之一的董事須輪值退任，而主席、副主席或董事總經理毋須輪值退任。本公司之公司細則偏離守則條文。本公司認為主席／副主席／董事總經理之連任及彼等之領導對業務及主要管理層之穩定性非常重要。輪值方法可確保董事合理連任，從而符合本公司股東之最佳利益。

守則條文第F.1.1條規定，本公司應設立派付股息之政策。本公司並無設立股息政策，原因為本公司認為經計及本公司當時財務表現、營運及資本需求以及市況等因素後釐定股息支付較為合適，有利於本公司更靈活應對未來發展，此舉符合本公司及其股東之整體最佳利益。

本公司將繼續審閱及監控上述情況，並於有需要時改善有關常規。

CHANGES IN INFORMATION OF DIRECTORS

Save as disclosed in the Company's announcement dated 30 September 2022 that Ms. Wong Sau Kuen has acted as the sole company secretary of the Company following the resignation of Mr. Liu Kwok Wah as an executive director, joint company secretary and financial controller of the Company, with effect from 30 September 2022, there was no change in the information of the current directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules subsequent to the date of the 2022 Annual Report.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, the directors have complied with the required standards set out in the Model Code throughout the 2022 Interim Period.

董事資料變更

除本公司日期為二零二二年九月三十日之公告所披露，王秀娟女士繼廖國華先生自二零二二年九月三十日起辭任本公司執行董事、聯席公司秘書及財務總監後擔任本公司唯一公司秘書外，於二零二二年年報日期後，概無任何現任董事資料變動須根據上市規則第13.51B(1)條予以披露。

證券交易標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）作為本公司有關董事買賣本公司證券之操守守則。經向本公司董事作出特定查詢後，董事於整段二零二二年年中期期間一直遵守標準守則所載之規定準則。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2022, the interests and short positions of the directors in the shares, underlying shares or debentures of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

董事於股份、相關股份及債權證之權益及淡倉

於二零二二年九月三十日，董事於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債權證中，擁有登記於本公司根據證券及期貨條例第352條須存置之登記冊之權益及淡倉，或根據標準守則須另行知會本公司及聯交所之權益及淡倉如下：

Long positions in the ordinary shares of the Company

於本公司普通股之好倉

Name of director	Notes	Capacity and nature of interest	Number of ordinary shares held/entitled	Approximate percentage of interests held
董事姓名	附註	身份及權益性質	所持／有權持有之普通股數目	所持權益之概約百分比
Xie Yi 謝毅	(a)	Through controlled corporations 透過受控制公司	900,000,000	37.66%
Cheng Yong 程勇	(b)	Directly beneficially owned 直接實益擁有	830,000	0.04%
	(c)	Through controlled corporations 透過受控制公司	140,760,000	5.89%
	(b)	Held by spouse 由配偶持有	5,090,000	0.21%
			146,680,000	6.14%

Notes:

- (a) These 900,000,000 shares represent conversion shares to be allotted and issued to the bondholder, United Gene International Holdings Group Limited (“**UG International**”) upon exercise in full of the conversion rights by UG International, at conversion price of HK\$0.6413 per share under the Company’s 20-year zero coupon convertible bonds issued on 16 July 2013 with principal amount of HK\$577,170,000 outstanding. The entire issued share capital of UG International is owned by JNJ Investments Ltd which is wholly owned by Biowindow Gene Development (Hong Kong) Limited (“**HK Biowindow**”), and the entire issued share capital of HK Biowindow is owned by United Gene Group Ltd (a company incorporated in the British Virgin Islands). The issued share capital of United Gene Group Ltd is owned as to 33% by Ease Gold Investments Limited, which is wholly owned by Dr. Xie Yi.

As at 30 September 2022, there was a total of 2,390,000,000 shares issued by the Company, and assuming the exercise in full of the conversion rights attaching to the Company’s convertible bonds, UG International will hold approximately 27.36% of the enlarged share capital of the Company.

- (b) Interests in shares of the Company.
- (c) 1,060,000 and 139,700,000 shares of the Company are respectively held by Merchandise Holdings Limited and United Gene Industry Group Limited, both are companies incorporated in the British Virgin Islands and are wholly owned by Mr. Cheng Yong.

附註：

- (a) 該等900,000,000股股份指債券持有人United Gene International Holdings Group Limited (「**UG International**」)根據本公司於二零一三年七月十六日發行之20年零息可換股債券(尚未償還之本金額為577,170,000港元)按換股價每股0.6413港元悉數行使換股權後將獲配發及發行之換股股份。UG International之全部已發行股本由JNJ Investments Ltd擁有，JNJ Investments Ltd由香港博德基因開發有限公司(「**香港博德**」)全資擁有，而香港博德之全部已發行股本則由United Gene Group Ltd(一間於英屬處女群島註冊成立之公司)擁有。United Gene Group Ltd之已發行股本由Ease Gold Investments Limited擁有33%權益，而Ease Gold Investments Limited則由謝毅博士全資擁有。

於二零二二年九月三十日，本公司已發行合共2,390,000,000股股份。假設本公司可換股債券附帶之換股權獲悉數行使，UG International將持有本公司經擴大股本約27.36%。

- (b) 於本公司股份之權益。
- (c) 本公司1,060,000股及139,700,000股股份分別由Merchandise Holdings Limited及United Gene Industry Group Limited持有，該兩家公司均於英屬處女群島註冊成立並由程勇先生全資擁有。

Save as disclosed above, as at 30 September 2022, none of the directors had registered an interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

At no time during the 2022 Interim Period were rights to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate granted to any directors or their respective spouses or minor children, or were any such rights exercised by them, or was the Company or any of its subsidiaries a party to any arrangement to enable the directors, their respective spouses or minor children to acquire such rights in any other body corporate.

除上文所披露者外，於二零二二年九月三十日，概無任何董事於本公司或其任何相聯法團之股份、相關股份及債權證中，擁有根據證券及期貨條例第352條須予登記之權益或淡倉，或根據標準守則須另行知會本公司及聯交所之權益或淡倉。

董事購入股份及債權證之權利

於二零二二年中中期期間任何時間，任何董事或彼等各自之配偶或未成年子女概無獲授可藉購入本公司或任何其他法團股份或債權證而獲益之權利，或彼等並無行使任何該等權利，或本公司或其任何附屬公司亦無訂立任何安排，致使董事、彼等各自之配偶或未成年子女可於任何其他法團獲得該等權利。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2022, the following other persons' interests and short positions of 5% or more of the shares and underlying shares of the Company were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東及其他人士於股份、相關股份及債權證之權益及淡倉

於二零二二年九月三十日，根據本公司按照證券及期貨條例第336條須予保存之登記冊所記錄，登記擁有本公司股份及相關股份5%或以上權益及淡倉之其他人士如下：

Long positions in the ordinary shares of the Company

於本公司普通股之好倉

Name of shareholder	Notes	Capacity and nature of interest	Number of ordinary shares held/entitled 所持／有權持有之普通股數目	Approximate percentage of interests held 所持權益之概約百分比
股東姓名	附註	身份及權益性質		
Dr. Mao Yumin 毛裕民博士	(a)	Directly beneficially owned 直接實益擁有	189,920,000	7.94%
	(b)	Through controlled corporations 透過受控制公司	900,000,000	37.66%
			1,089,920,000	45.60%
Huang Zhenping 黃振平	(c)	Directly beneficially owned 直接實益擁有	150,000,000	6.28%

Notes:

- (a) Interests in shares of the Company.
- (b) These 900,000,000 shares represent conversion shares to be allotted and issued to the bondholder, UG International upon exercise in full of the conversion rights by UG International, at conversion price of HK\$0.6413 per share under the Company's 20-year zero coupon convertible bonds issued on 16 July 2013 with principal amount of HK\$577,170,000 outstanding. The entire issued share capital of UG International is owned by JNJ Investments Ltd which is wholly owned by HK Biowindow, and the entire issued share capital of HK Biowindow is owned by United Gene Group Ltd (a company incorporated in the British Virgin Islands). The issued share capital of United Gene Group Ltd is owned as to 33% by United Gene Holdings Limited, which is wholly owned by Dr. Mao Yumin.

As at 30 September 2022, there was a total of 2,390,000,000 shares issued by the Company, and assuming the exercise in full of the conversion rights attaching to the Company's convertible bonds, UG International will hold approximately 27.36% of the enlarged share capital of the Company.

- (c) Interests in shares of the Company.

Save as disclosed above, as at 30 September 2022, no person, other than certain directors of the Company, whose interests are set out in the section "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the 2022 Interim Period, the Company and its subsidiaries did not purchase, redeem or sell any of the Company's listed securities.

附註：

- (a) 於本公司股份之權益。
- (b) 該等900,000,000股股份指債券持有人UG International根據本公司於二零一三年七月十六日發行之20年零息可換股債券(尚未償還之本金額為577,170,000港元)按換股價每股0.6413港元悉數行使換股權後將獲配發及發行之換股股份。UG International之全部已發行股本由JNJ Investments Ltd擁有，JNJ Investments Ltd由香港博德全資擁有，而香港博德之全部已發行股本則由United Gene Group Ltd(一間於英屬處女群島註冊成立之公司)擁有。United Gene Group Ltd之已發行股本由United Gene Holdings Limited擁有33%權益，而United Gene Holdings Limited則由毛裕民博士全資擁有。

於二零二二年九月三十日，本公司已發行合共2,390,000,000股股份，假設本公司可換股債券附帶之換股權獲悉數行使，UG International將持有本公司經擴大股本約27.36%。

- (c) 於本公司股份之權益。

除上文所披露者外，於二零二二年九月三十日，概無任何人士(不包括本公司若干董事，彼等之權益載於上文「董事於股份、相關股份及債權證之權益及淡倉」一節)於本公司之股份或相關股份中擁有根據證券及期貨條例第336條須予登記之權益或淡倉。

購買、贖回或出售上市證券

於二零二二年年中期期間，本公司及其附屬公司概無購買、贖回或出售本公司之任何上市證券。

Board Committees

The Company has established the following three committees with respective terms of reference, in compliance with the Listing Rules and Corporate Governance Code:

Audit Committee

The Audit Committee, which comprises three independent non-executive directors (“INEDs”), has reviewed the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 September 2022, and was content that the accounting principles and practices adopted by the Group were in conformity with the current practices in Hong Kong.

Remuneration Committee

The Remuneration Committee, which comprises three INEDs and Dr. Xie Yi, is responsible for overseeing the remuneration policies of the Group during the six months ended 30 September 2022.

Nomination Committee

The Nomination Committee, which comprises Dr. Xie Yi and three INEDs, has the major role to formulate and implement the policy for nominating candidates for election by shareholders, and to assess the independence of non-executive directors.

董事委員會

本公司已遵照上市規則及企業管治守則設立下述三個委員會及制定其各自之職權範圍：

審核委員會

審核委員會由三名獨立非執行董事（「獨立非執董」）組成，已審閱本集團截至二零二二年九月三十日止六個月之未經審核簡明綜合中期財務資料，並認為本集團所採納之會計原則及慣例與香港現行慣例相符。

薪酬委員會

薪酬委員會由三名獨立非執董及謝毅博士組成，負責監督本集團截至二零二二年九月三十日止六個月之薪酬政策。

提名委員會

提名委員會由謝毅博士及三名獨立非執董組成，主要職能為制定及實施有關提名董事人選供股東選任之政策，以及評估非執行董事之獨立性。

By order of the Board

Extrawell Pharmaceutical Holdings Limited

Xie Yi

Chairman

Hong Kong, 29 November 2022

承董事會命

精優藥業控股有限公司

主席

謝毅

香港，二零二二年十一月二十九日

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

(As at the date of this interim report on
29 November 2022)

EXECUTIVE DIRECTORS

Dr. XIE Yi (Chairman and Chief Executive Officer)
Mr. CHENG Yong (Deputy Chief Executive Officer)
Dr. LOU Yi
Ms. WONG Sau Kuen

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. FANG Lin Hu
Mr. XUE Jing Lun
Ms. JIN Song

AUDIT COMMITTEE

Mr. FANG Lin Hu (Chairman)
Mr. XUE Jing Lun
Ms. JIN Song

REMUNERATION COMMITTEE

Mr. FANG Lin Hu (Chairman)
Mr. XUE Jing Lun
Ms. JIN Song
Dr. XIE Yi

NOMINATION COMMITTEE

Dr. XIE Yi (Chairman)
Mr. FANG Lin Hu
Mr. XUE Jing Lun
Ms. JIN Song

COMPANY SECRETARY

Ms. WONG Sau Kuen

HONG KONG LEGAL ADVISERS

Chiu & Partners Solicitors

INDEPENDENT AUDITOR

Elite Partners CPA Limited
Certified Public Accountants

董事會

(於本中期報告日期
二零二二年十一月二十九日)

執行董事

謝毅博士(主席兼行政總裁)
程勇先生(副行政總裁)
樓屹博士
王秀娟女士

獨立非執行董事

方林虎先生
薛京倫先生
金松女士

審核委員會

方林虎先生(主席)
薛京倫先生
金松女士

薪酬委員會

方林虎先生(主席)
薛京倫先生
金松女士
謝毅博士

提名委員會

謝毅博士(主席)
方林虎先生
薛京倫先生
金松女士

公司秘書

王秀娟女士

香港法律顧問

趙不渝 • 馬國強律師事務所

獨立核數師

開元信德會計師事務所有限公司
執業會計師

CORPORATE INFORMATION (CONTINUED)
公司資料 (續)

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 2206–08, 22/F
Devon House, Taikoo Place
979 King's Road, Quarry Bay
Hong Kong

總辦事處及香港主要營業地點

香港
鰂魚涌英皇道979號
太古坊德宏大廈
22樓2206–08室

PRINCIPAL BANKERS

Industrial and Commercial Bank of China (Asia) Limited
The Bank of East Asia, Limited

主要往來銀行

中國工商銀行(亞洲)有限公司
東亞銀行有限公司

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services
(Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

股份過戶登記總處

Conyers Corporate Services
(Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

香港股份過戶登記分處

卓佳登捷時有限公司
香港
夏慤道16號
遠東金融中心17樓

WEBSITE

<http://www.extrawell.com.hk>

網站

<http://www.extrawell.com.hk>

STOCK CODE

The Stock Exchange of Hong Kong Limited: 00858

股份代號

香港聯合交易所有限公司：00858



Extrawell Pharmaceutical Holdings Limited
精優藥業控股有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock code 股份代號 : 858

